

AN ACT

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TO INCORPORATE

THE

Philadelphia
EXCHANGE

INSURANCE COMPANY.

PASSED APRIL 13th, 1838.



PHILADELPHIA:

John C. Clark, Printer, 60 Dock Street.

1838.

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THE

EXCHANGE INSURANCE COMPANY.

AN ACT

To incorporate the Exchange Insurance Company.

SECT. 14. That Matthew C. Ralston, Joseph Hand, Joseph W. Ryers, Alexander M'Clurg, John B. Myers, William B. Fling, David Hill, Frederick Fraley, John Bacon, Abraham J. Lewis, Thomas Cook, Henry Toland, John B. Budd, George W. Page, William S. Smith, Henry Chester, John L. Hodge, Thomas Hays, Joseph B. Smith, Robert Howell, William Allen, William M'Kee, Alexander L. Lardner, John Jones, Jacob M. Thomas, Henry Farnum, William Carlisle, Jacob B. Clement, Alexander Burden, James Allen, George Ford, jr. be, and they are hereby appointed commissioners for receiving subscriptions to the stock of a company, to be called the Exchange Insurance Company; and shall open books for that purpose, in the city of Philadelphia, at the time and place by them to be appointed; of which they shall give not less than ten days' notice, in two daily newspapers, published in the city of Philadelphia. And said books shall be kept open for two days, between the hours of ten and two o'clock, on each day, until the number of three thousand shares, at one hundred dollars per share, shall be subscribed; after which the books shall be closed; and all persons of lawful age, shall be permitted to subscribe for said stock; and on the first day on which the said books shall be opened, no person shall be permitted to subscribe for more than ten shares; but if the whole of the said stock shall not then have been subscribed, the commissioners shall, on the second day thereafter, permit any person aforesaid, to subscribe for any number of shares remaining: *Provided*, that if the subscriptions on the first and second days, should exceed the number of three thousand shares, the shares of each subscriber shall be reduced in proportion; so, however, that no individual, without his consent, have his subscription reduced below five shares.

SECT. 15. When the whole number of shares in the capital stock as aforesaid shall have been subscribed, and at least five dollars per share

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paid in, the said commissioners shall certify to the governor, under their hands, or under the hands and seals of any ten of them, the names of the subscribers, and the number of shares by them subscribed respectively. And the governor shall thereupon, by letters patent, under his hand and the seal of the state, erect and create the subscribers into one body politic and corporate, in deed and in law, by the name, style and title of "The Exchange Insurance Company;" by which name and title, the subscribers shall have perpetual succession, and shall be able to sue and be sued, plead and be impleaded, in all courts of record and elsewhere; and to purchase, receive, have, hold and enjoy, to them and to their successors, lands, tenements and hereditaments, goods and chattels, of what nature, quality or kind soever, real, personal or mixed, or choses in action; and the same, from time to time, to sell, demise, grant, alien or dispose of: *Provided*, that the real estate shall be only such as shall be necessary to accommodate the said corporation, in the transaction of the business thereof, or shall be taken and held in security for the payment of debts due to the corporation; and that the yearly income of the said real estate shall not, at any time, exceed the sum of twelve thousand dollars: *And provided also*, that the said company shall have authority to make and to have a common seal, and the same to break, alter and renew at pleasure; and also, to ordain, establish, and put in execution, such by-laws, ordinances, and regulations as shall appear necessary and convenient for the government of the said corporation, and not being contrary to the laws of the United States, or of this state; and generally to do all and singular, the matters which to them shall lawfully appertain to do for the well being of the said corporation, and the managing and ordering of the affairs thereof.

SECT. 16. For the government of the affairs of the said corporation, there shall be ten directors, who shall be citizens of this commonwealth, and stockholders of the said corporation, holding at least five shares each in their own right, elected annually, on the first Monday of January, by the stockholders, at their general meeting for that purpose assembled; public notice of the time and place of holding such meetings and elections, having been given in at least two daily newspapers in the city of Philadelphia, not less than five days previous to holding the same; and the directors, at their first meeting after such election, shall choose one of their number as president; but in case it should happen, at any time, that an election of directors should not be made upon any day when pursuant to this act it ought to have been made, the corpora-

tion shall not, for that cause, be deemed to be dissolved; and it shall be lawful, on any day within thirty days thereafter, to hold and make an election of directors, in such manner as shall be regulated by the by-laws and ordinances of the corporation; and in case of any director's death or resignation, his place may be filled, for the remainder of the year, in such manner as the ordinances of the said corporation shall for that purpose direct: *Provided*, that the first election for directors shall be held at a time and place to be appointed by the commissioners beforementioned, or any ten of them, they giving notice thereof, in manner aforesaid; and the directors so chosen, shall hold their offices until the first Monday of January, in the year of our Lord one thousand eight hundred and thirty-nine, and until new directors shall be chosen.

SECT. 17. The votes of the stockholders for directors shall be by ballot; and for the election of directors, and for the deciding of all questions in the general meeting of the stockholders, the ratio of votes shall be as follows, to wit: A stockholder having five shares, or less, one vote; six and not more than nine, two votes; ten and not more than fourteen, four votes; fifteen and not more than nineteen, six votes; twenty and not more than twenty-four, eight votes; twenty-five and not more than twenty-nine, ten votes; thirty and not more than thirty-four, twelve votes; thirty-five and not more than thirty-nine, fourteen votes; forty and not more than forty-five, sixteen votes; forty-five and not more than forty-nine, eighteen votes; fifty and upwards, twenty votes. But no stockholder shall be entitled, in his own right, or as a proxy, to a greater number than twenty-five; nor shall any stockholder vote at any election for directors, unless the share or shares on which he or she may claim to vote, shall have been standing, in his or her name, on the books of the said corporation, for at least three months previous to said election.

SECT. 18. The president and directors of the said corporation, for the time being, shall have power to appoint such officers, clerks, agents, and other persons, as shall be necessary for conducting and executing the business of said corporation, as well in the city of Philadelphia as elsewhere; and to allow the said persons so appointed, such compensation for their services, respectively, as they shall deem reasonable; and generally to exercise all other powers and authorities, for the well governing and ordering the affairs and funds of the said corporation, as this act confers and allows, or as may be hereafter conferred and allowed, by the laws, regulations and ordinances of said corporation.

SECT. 19. The shares of the capital stock of the said company shall be called in and paid at such time and times, and in such proportion or proportions as the president and directors shall declare and require; giving at least thirty days' previous public notice thereof; and any stockholder or stockholders, his, her, or their executors, administrators or assigns, neglecting or refusing to pay all, or any part of the sum or sums of money for his, her, or their share or shares, in the proportion, and at the time and times prescribed as aforesaid, for the payment thereof, shall forfeit to the use of the said company all the money by him, her or them previously paid on account of said share or shares, together with all right, title, interest, property, emolument, claim and demand whatsoever, of, in, to, or out of, the capital stock and funds of the said company, and the profits arising, or to arise therefrom, by reason or on account of the share or shares so forfeited. The capital stock of the said company shall amount to the sum of three hundred thousand dollars, and be divided into three thousand shares; which shares shall be assignable and transferable, according to such rules and regulations, as the directors shall make and establish for the assignment and transfer thereof.

SECT. 20. It shall be lawful for the said corporation from time to time, to improve and invest the capital stock and funds of the company in the public securities of the United States, or in the stock or stocks of any incorporated institution, within this commonwealth or elsewhere, or to loan the same to the state of Pennsylvania, or on the security of real estate within the state of Pennsylvania; and the public securities aforesaid, and all other evidences of debt or duty, owing and belonging to the said company, shall be transferred to, and taken in the name of, the Exchange Insurance Company; and all deposits for the safe keeping of the moneys and securities of the company, shall be made in any incorporated bank or banks, located in the city or county of Philadelphia, in such manner, and in such terms, that the same shall always appear to be the property of the company, and shall be subject only to the drafts or orders of their proper officers, and under such regulations as shall be established by the by-laws of the company.

SECT. 21. The president and directors shall have full power, on behalf of the said corporation, to make insurance against losses by fire on any house, tenement, or manufactory, or on goods, wares, merchandise and effects therein, and upon any ship or vessel upon the stocks, building or repairing, or at moorings, or lying in port, and on

goods, wares, merchandise, and other effects therein, and on hay, grain, and other agricultural products, in barns, stacks, or otherwise, and generally on all kinds of goods, buildings, wares, merchandise, and effects upon the land, or lying in port; and further, to make insurance against losses by fire or by water, on goods, wares, merchandise and effects transported on rivers, on canals, or on rail roads, by steam boats or wagons, in canal boats or cars, and to make all kind of marine insurance, and to loan money upon bottomry and upon respondentia, and to make, execute, and perfect such and so many contracts, bargains, agreements, policies, and other instruments as shall or may be necessary, and as the nature of the case shall or may require; and every such contract, bargain, agreement and policy to be made by said corporation, shall be in writing or in print, and shall be under the seal of the said corporation, signed by the president, and attested and countersigned by the secretary or other officer, who may be appointed by the president and directors for that purpose.

SECT. 22. In case any assured, named in any policy or contract of insurance made by the said corporation, shall sell, convey, or assign the subject insured, it shall be lawful for such assured to assign and to deliver to the purchaser such policy or contract of insurance, and such assignee shall have all the benefit of such policy or contract of insurance, and may bring and maintain a suit in his, her, or their own name or names: *Provided*, that before any loss happens, he shall obtain the consent of the insurer to such assignment, and have the same indorsed on or annexed to such policy or contract of insurance, and not otherwise.

SECT. 23. The president and directors shall, on the first Monday in December, in the year of our Lord one thousand eight hundred and thirty-eight, and on the first Mondays of December and June, in every year thereafter, declare and divide so much of the profits of the said corporation as to them shall appear advisable, and the dividend so declared shall be paid to the respective stockholders agreeably to such rules as the president and directors shall make for the purpose; but the moneys received as premiums upon risks which remain undetermined and are outstanding at the time of the declaring such dividend, shall not then be considered as part of the profits of the said corporation, or divided as such; and if any loss or losses shall happen, whereby the capital stock of said company shall be lessened, no subsequent dividend shall be made, until a sum equal to such diminution shall have been added to the capital stock of said company. And if the president and

directors shall knowingly make a dividend or dividends, contrary to the true intent and meaning of the prohibitions herein contained, the president, if he consents thereto, and such of the directors as shall consent thereto, shall, in their individual capacity, be accountable for, and pay over to, said corporation, for the use thereof, as much money as they may so divide and pay more than by this act they are authorized to do. And the president, and each director in office at the time of making such dividend, hereby prohibited to be made, shall be deemed as consenting to such dividend, unless he or they shall, at the time of making such dividend, be absent from the board of directors, or if present, shall immediately enter his or their protests on the minutes of the board of directors, and also give notice thereof in two or more newspapers published in Philadelphia.

SECT. 24. If at any time, it shall appear to the Legislature, that the said Exchange Insurance Company has abused or misused any of the privileges hereby granted, the power to repeal so much of this act as relates to the said Exchange Insurance Company shall in nowise be denied or impaired; but such repeal shall not affect any engagement to which the said Exchange Insurance Company may become a party previously thereto, and that the said Exchange Insurance Company shall have a reasonable time allowed them to bring their accounts to a final settlement and termination.

*Office of the Secretary of the Commonwealth,
Harrisburgh, April 16, 1838.*

This is to certify, that the above and foregoing is a true and correct copy of so much of the act, entitled "An Act to incorporate the Bradford County Mutual Insurance Company, and for other purposes," passed the thirteenth day of April, one thousand eight hundred and thirty-eight, as relates to the Exchange Insurance Company, on file in this office.

Witness my hand and the seal of the said office, the day and year aforesaid.

J. WALLACE,
Deputy Secretary.



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